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OLC 70-0649
DD/S 70-3976
01 OCT 1970

MEMORANDUM FOR: Legislative Counsel

SUBJECT : S. 2984 Temporary Employment and Retirement

1. Our review of Senate Report No. 91-1191, Calendar No. 1210, dated 17 September 1970 suggests that S. 2984 involves matters which are of substantial interest to CIA.

2. S. 2984 would repeal section 115 of the Social Security Amendments of 1954 to permit social security-covered service for certain Government employees to be credited for retirement under the Civil Service Retirement System or other retirement system for Federal employees (CIARDS being one). Such a change would solve a serious problem with which we have been wrestling for some years.

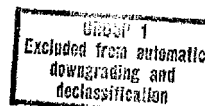
3. This Bill would benefit more than [] CIA contract employees who have worked for us since 1 January 1955 and have paid social security taxes on their contract wages. Under present law, these individuals may not acquire civil service retirement credit for this time; under S. 2984 they may.

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4. In an internal attempt to alleviate this inequity, the Executive Director-Comptroller has recently approved, in principle, a special annuity program for certain contract individuals, a major part of which grants annuities to contract employees (but not staff employees) who have social security time not creditable under any Federal retirement system at an estimated cost of []. If S. 2984 were to become law, we would have no need to implement this portion of our program since full credit toward civil service retirement would be available without cost to the Agency. Of importance also, the Bill would go beyond our special program in that it would apply equally to staff employees with noncreditable social security contract time.

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5. I would appreciate it, therefore, if you would take whatever action you feel would be appropriate to make our interest and support for the Bill known in the proper legislative channels. If additional background information would be useful to you, please feel free to call upon members of my staff. I would appreciate it if you would keep me informed of the progress of the Bill.



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Deputy Director
for Support

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